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Producers 88-198(R) Texas Paid-Up (2/93)

OIL, GAS AND MINERAL LEASE

(PAID-UP LEASE)		
THIS AGREEMENT made this Thomas Mallory Walker	y of February	, 20, between
Huntington Beach, CA 92648	, Lessor (whether one or more) whose address is	221 Knoxville Avenue
	energy Production Company, L.P.	, Lessee; whose address is
20 North Broadway, Oklahoma City, OK 73102-8260	; WITNESSETH:	, 20000, 13000 0000000000000000000000000000
1. Lessor in consideration of Ten or more Dollars, in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee the lands subject hereto for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas (including all gases, liquid hydrocarbons and their respective constituent elements) and all other minerals, (whether or not similar to those mentioned) and the exclusive right to conduct exploration, geologic and geophysical tests and surveys, injecting gas, water and other fluids and air into subsurface strata, establishing and utilizing facilities for the disposition of salt water, laying pipelines, housing its employees and building roads, tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport, and own said products; which lands are located in Tarrant County, Texas, and described as follows:		
Lot 6, Block 2, of Village Creek Estates, an Addition in Tarrant County, Texas, lying within the Abner Lee Survey, A-931, Tarrant County, Texas, and being more particularly described, by metes and bounds, in the plat recorded in Volume 388-90, Page 37, Plat Records, Tarrant County, Texas.		
This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or in adjacent surveys, although not included within the boundaries of the land particularly described above. The land covered by this lease shall be hereinafter referred to as said Land. Lessor agrees to execute any lease amendment requested by Lessee for a more complete or accurate description of said Land and such amendment shall include words of present lease and grant. For the purpose of calculating any payments hereinafter provided for, said Land is estimated to comprise acres, whether it actually comprises more or less until such time as		
Lessee requests a lease amendment and same is filed of record. 2. Subject to the other provisions herein contained and without reference to the comme lease shall be for a term of three (3) years from this date (called "primary term") and as long the or land with which said Land is pooled hereunder. The word "operations" as used herein shall in drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of other actions conducted on said lands associated with or related thereto. 3. The royalties to be paid by Lessee are: (a) on oil delivered at the wells or into the pipe	reafter as oil, gas, or other minerals is produced from nelude but not be limited to any or the following; pre- a well in search for or in an endeavor to obtain produ- ting to which the wells may be connected, one-eight	or operations are conducted on said Land paring drillsite location and/or access road, action of oil, gas or other minerals and any
oil produced and saved from said Land; Lessee may from time to time purchase any royalty oil in date of purchase or Lessee may sell any royalty oil in its possession and pay Lessor the price received the cost of treating the oil to render it marketable pipeline oil or, if there is no available pipeline, all gases, processed liquid hydrocarbons associated therewith and any other respective constitutions used off the premises or for the extraction of gasoline or other product therefrom, the market exceed the amount received by Lessee for such gas computed at the mount of the well, and provide from such sale, it being understood that Lessor's interest shall bear one-eighth of the cost of all at the wells; (c) on all other minerals mined and marketed, one-tenth either in kind or value at it participating royalty interests, in said Land, whether or not owned by Lessor and whether or no set forth herein. Lessee shall have free use of oil, gas and water from said Land, except water injection and secondary recovery operations, and the royalty on oil and gas shall be computed aff at the expiration of the primary term or at any time or times after the primary term or land or leases pooled therewith but oil or gas is not being sold or used and this lease is no (unless released by the Lessee), and it shall nevertheless be considered that oil and/or gas is being	n its possession, paying the market price therefor pre- every deviced by the Lessee for such oil computed at the wel, Lessor's interest shall bear one-eighth of the cost of ent elements, casinghead gas or other gaseous substa- value at the well of one-eighth of the gas so sold or ided further on gas sold at the wells the royalty shall compression, treating, dehydrating and transporting the well or mine, at Lessee's election. Any royalty in the effectively pooled by Lessee pursuant to the provise from Lessor's wells, in all operations which Lesse ter deducting any so used. then being maintained by production, operations of g produced from said Land within the meaning of pa	vailing for the field where produced on the it, Lessor's interest shall bear one-eighth of all trucking charges; (b) on gas, including mee, produced from said Land and sold or used provided the market value shall not be one-eighth of the net proceeds received costs incurred in marketing the gas so sold iterests, including, without limitation, non-ions hereof, shall be paid from the royalty e may conduct hereunder, including water oil or gas in paying quantities on said Land or otherwise, this lease shall not terminate, ragraph 2 herein. However, in this event,
nereunder regardless or changes in ownership of said land or shut-in royalty payments) a sum a cach acre of said Land included in such unit on which said shut-in well is located. If such bank (fail or refuse to accept such payment, Lessee shall re-tender such payment within thirty (30) days to receive such payment or tenders. Such shut-in royalty payment shall be due on or before the completion of such well, or (c) the date on which oil or gas ceases to be sold or used, or (d) the determined of the date the lease ceases to be otherwise maintained, whichever be the later date. It is under manner and upon like payments or tenders on or before the next ensuing anniversary of the diperiods of one (1) year each until such time as this lease is maintained by production or operat royalty payment shall not be required or, if a shut-in royalty payment is tendered, no additional payment regardless of how many times actual production may be commenced and shut-in duritender any such sum as shut-in royalty shall render Lessee liable for the amount due but it shall or market the minerals capable of being produced from said wells, but in the exercise of such difformary lease facilities of flowline, separator, and lease tank, and shall not be required to settle tenders royalty or shut-in royalty as hereinabove provided, two (2) or more parties are, or clai provided, pay or tender such royalty or shut-in royalty, in the manner above specified, either join as Lessee may elect.	rs are Lessors agent and shall continue as the deposite determined by multiplying one dollar (\$1.00) per acrd Land and other land or leases a sum determined by (or any successor bank) should fail, liquidate, or be at s following receipt from Lessor of a proper recordable expiration of ninety (90) days after (a) the expiratiate this lease is included in a unit on which a well ha stood and agreed that no shut-in royalty payments shue date for said payment, the Lessee shall continue ions. However, if actual production commences with shut-in payment will be due until the next ensuing armg such one (1) year period. Lessee's failure to pay not operate to terminate this lease. Lessee agrees to ligence, Lessee shall not be obligated to install or fun labor trouble or to market gas upon terms unacceptab m to be, entitled to receive same, Lessee may, in lightly to such parties or separately to each in accordance.	ory bank for all shut-in royalty payments be for each acre then covered by this lease, multiplying one dollar (\$1.00) per acre for acceeded by another bank or for any reason to instrument naming another bank as agent into of the primary term, or (b) the date of a been previously completed and shut-in or all be due during the primary term. In like to pay such shut-in royalty for successive hin the applicable 90 day period, a shut-in miversary of the due date for said tendered or tender or to properly or timely pay or use reasonable diligence to produce, utilize nish facilities, other than well facilities and let to Lessee. If at any time Lessee pays or the or any other method of payment herein we with their respective ownerships thereof,
5. (a) Lessee shall have the right and power in its discretion to pool or combine, as to covered by this lease or with other land, lease or leases in the vicinity thereof. The above right at one or more of said substances, and may be exercised at any time and from time to time during drilled. Pooling in one or more instances shall not exhaust the rights of Lessee to pool said Lan not conform in size or area with units as to any other stratum or strata, and oil units need not conform a cares each in area plus a tolerance of 10% thereof, and units pooled for gas hereunder shall not so governmental authority having jurisdiction prescribe or permit the creation of units larger than to or permitted by governmental regulations. The pooling for gas hereunder by Lessee shall also pass may be produced with the unitized gas, and the royalty interest payable to Lessor thereon a execute in writing an instrument or instruments identifying and describing the pooled acreage a acreage is located. Such pooled unit shall become effective as of the date provided for in said such unit shall become effective on the date such instrument or instruments are so filed for recommy time and from time to time after the original forming thereof by filing an appropriate instrusting the model of the date of the instrument of shall constitute a valid and effective pooling of executive mineral, royalty, non-participating royalty, overriding royalty or leasehold interests Lessee shall be under no duty to obtain an effective pooling of such other outstanding interests from any part of the pooled unit which includes all or a portion of said Land, regardless of whet this lease or the date of the instrument designating the pooled unit, shall be considered for all p Land whether or not the well or wells be located on said Land. The production from an oil well not as production from a gas well will be considered a pooled unit. In lieu of royalties above specified, Lessor shall receive on production from a unit as the unit bears to the total acreage so	and power to pool and unitize may be exercised with g or after the primary term, and before or after a well do or portions thereof into other units. Units formed inform as to area with gas units. Units pooled for oil substantially exceed in area 640 acres each, plus a tole those specified, units thereafter created may conform tool and unitize all associated liquid hydrocarbons an shall be computed the same as on gas. With respect and file same for recording in the office of the Count instrument or instruments, but if said instrument or ord. Any unit so formed may be re-formed, increase trument of record in the County in which said pooled in the interests of Lessor and Lessee hereunder regard in lands within the boundary of any pooled unit. Or her such operations were commenced or such producturposes, except the payment of royalties, as operatio I will be considered production from the lease or oil is production from the lease or gas pooled unit from the lease or gas pooled unit serious production from the lease or gas poole	respect to oil, gas or other minerals, or any lass been drilled, or while a well is being by pooling as to any stratum or strata need hereunder shall not substantially exceed 80 rance of 10% thereof, provided that should substantially in size with those prescribed d any other respective constituent elements to any such unit so formed, Lessee shall y Clerk in the county in which said pooled instruments make no such provision, then d or decreased, at the election of Lessee, at acreage is located. Any such pooled unit less of the existence of other mineral, non-thich are not effectively pooled therewith herations on or production of oil and/or gas tion was secured before or after the date of as on or production of oil or gas from said pooled unit from which it is producing and which it is producing and not from a least in the producing and all placed in the strategies of solid least all contracts of the contract of solid least all contracts of the strategies of the st

- such unit and used in the operations thereof or thereon shall be excluded in calculating said royalty. Lessee may vacate any unit formed by it hereunder by instrument in writing filed for record in said county at any time when there is no unitized substance being produced from such unit. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 5 with consequent allocation of production as herein provided. As used in this paragraph 5, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of said Land.

 (b) Lessee at any time and from time to time during the life of this lease shall have the right and power as to all or any part or formation or strata of the land herein leased, without Lessor's joinder, to unitize the same with other lands, formations, strata or leases covering lands in the same general area as the leased premises by combining the leasehold estate and Lessor's royalty estate created by this lease with any other lease or leases, royalty or mineral estate in and under any other tract or tracts of land, regardless of the ownership thereof, so as to create by the combination of such interests or any of them one or more unitized areas of such size and shape as determined by Lessee to be developed and operated by secondary or tertiary methods as though such lands and interest were all included within the terms hereof and constituted a single oil, gas and mineral lease. All such production from such unitized area shall be divided or allocated among the various tracts comprising such unitized area based on a formula derived from parameters utilized by Lessee and incorporated in a unitization agreement approved by the Railr
- snall be computed on the basis of the production allocated to the portion of the above described land included within such unitized area after excluding unretirom any on or gas used in unoperations thereon.

 6. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record, a release or releases covering any portion of said Land and/or portions of subsurface strata or stratum and be relieved of all obligations as to the acreage, strata or stratum surrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease in order to have necessary ac or a portion of the leased premises, is reclassified as an oil well, the effective date of such reclassification shall be considered as the date of cessation of production from said well. If during the term of this lease, a well or wells should be drilled and completed as a producer of oil or gas in paying quantities and such well or wells are located on adjacent land and within 330 feet of and draining said Land, Lessee agrees, at its option to either (a) drill such offset well or wells, as an ordinary prudent operator would do under similar circumstances, or (b) release the affected acreage or stratum in accordance with the provisions of paragraph 6 herein; and, in this connection, it shall be considered that no drainage exists. However, there shall be no express or implied duty of Lessee, with respect to the above options, unless such offset well or wells drilled by Lessee would be sufficiently productive to pay Lessee a profit over and above drilling, completing and operation expenses

- oduty of Lessee, with respect to the above options, unless such offset well or wells drilled by Lessee would be sufficiently productive to pay Lessee a profit over and above drilling, completing and operation expenses.

 8. Lessee shall have the right, at any time during or after the expiration of this lease, to remove all casing. Upon Lessor's request and when reasonably necessary for utilization of the surface for some intended use by the Lessor, Lessee will bury all pipelines below ordinary plow depth. No well shall be drilled within two hundred (200) feet of any residence or barn now on said draw without Lessor's consent.

 9. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in such ownership of said Land or royalties, however accomplished, shall operate to enlarge the obligation or diminish the right of Lessee, and no change or division in such ownership of said Land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the right of Lessee, and no change or division in such ownership of said Land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the right of Lessee, and no change or division in such ownership of said Land or royalties, however accomplished, by registered U. S. mail at Lessee's principal place of business, with a certified copy of recorded instrument or instruments evidencing same or evidence satisfactory to Lessee. If any such change in ownership occurs by reason of the death of the owner, Lessee may nevertheless, pay or tender royalties, or part thereof, to the credit of the deceded in a depository bank provided for above. In the event Lessee is a said main thereof unless and until furnished with a recordable instrument, executed by all such parties, designating an agent to receive payment for all.

 10. The breach by Lessee of any obligation arising hereunder shall not town fa forfeiture or
- less than the entire fee simple estate, then the shut-in royalties and royalties to be paid Lessor shall be reduced proportionately.

 12. (a) Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting operations thereon, or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or State law, or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting operations on or from producing oil or gas from said Land; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

 (b) The specification of causes of force majeure herein enumerated shall not exclude other causes from consideration in determining whether Lessee has used reasonable diligence wherever required in fulfilling any obligations or conditions of this lease, express or implied, and any delay of not more than six (6) months after termination of force majeure shall be deemed instified.
- (c) All terms and conditions of this lease, whether express or implied, shall be subject to all Federal and State Laws, Executive Orders, Rules, or Regulations; and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order,
- Rule or Regulation.

 13. This lease states the entire contract between the parties, and no representation or promise, verbal or written, on behalf of either party shall be binding unless contained herein; and this lease shall be binding upon each party executing the same and their successors, heirs, and assigns, regardless of whether or not executed by all persons above partied as "I secon".

IN WITNESS WHEREOF, this instrument is executed on the date first above written.		
LESSOR	Thomas Mallory Walker LESSOR	
LESSOR	LESSOR	
STATE OF CALIFORNIA §		
COUNTY OF ORANGE §		
This instrument was acknowledged before me on		
	Notary Signature: Second & Council	
SUSAN'L. CAINE	Printed Name: SUSAN L CAINE	
Commission # 1857194 Notary Public - California	Notary Public, State of Calif.	
Orange County My Comm. Expires Aug 6, 2013	My Commission Expires: 8-6-13	

EXHIBIT "A"

Attached to a made a part of that certain Oil, Gas and Mineral Lease dated the 17th day of February, 2010 by and between Thomas Mallory Walker, as Lessor and Devon Energy Production Company, L.P., as Lessee.

14. Notwithstanding anything contained in this Lease to the contrary, whenever the words "one-eighth" $(1/8^{th})$ appear in the printed portion of this Lease, the same is hereby amended to read "one-fourth" $(1/4^{th})$.

SIGNED FOR IDENTIFICATION:

Thomas Mallory Walker